WAR FOOD ADMINISTRATION
Food Distribution Administration
Washington 25, D. C.

November 29, 1943

FINANCE AND ACCOUNTS DIVISION MEMORANDUM NO. B 44

To: Washington Finance and Accounts Division and Chiefs, Regional Fiscal Divisions

From: H. O. Hart, Chief, Accounting Management Section

Subject: Irish Potato Products Diversion Program K/3b - Fiscal Year 1944

Effective immediately, the following fiscal procedure is prescribed for the Fiscal Year 1944 - Irish Potato Diversion Program K/3b, Appropriation 1242100(38).035.

H. O. Hart

B-122

EXHIBIT A

FOOD DISTRIBUTION ADMINISTRATION
Potato Products Diversion Program.

Memorandum of Agreement

Food Distribution Administration
Presque Isle, Maine

Gentlemen:

For the purpose of securing authorization to divert potatoes pursuant to the Potato Products Diversion Program (Fiscal year 1944), I (we) hereby agree to establish a separate bank account through which all payments for potatoes delivered for diversion will be made. Such account will be established in a recognized bank of deposit; will at all times contain sufficient funds to cover all outstanding delivery receipts; and will be used for no other purpose. It is understood that this agreement shall be regarded as a part of every Application for a Diversion Authorization (Form FDA-PPD-101, Part 1) and of every claim for payment pursuant to any Diversion Authorization issued to me (us). It is understood further that any deposits or balance in such an account in excess of the total amount necessary to make payment for all of the potatoes received for diversion shall remain my (our) property, and subject to my (our) disposition.

_____
Processor

_____
Date

_____
By

_____
Title

(Prepare in Duplicate - forward original to FDA, retain copy)

EXHIBIT B

FOOD DISTRIBUTION ADMINISTRATION
Potato Products Diversion Program.

Release of Unused Balance

Food Distribution Administration
Presque Isle, Maine

Gentlemen:

I hereby release the balance of _____ barrels remaining unused under Diversion Authorization No. _____ issued on _____ All diversion pursuant to the said Diversion Authorization has been completed, and no further claims for payment will be filed.

_____
Processor

_____
Date

_____
By

_____
Title

(Prepare in Triplicate - Forward original and one copy to FDA, retain copy)

Irish Potato Products Diversion Program
K/3b - Fiscal Year 1944
Appropriation 1242100(38).035
Exportation and Domestic Consumption of Agricultural Commodities
Department of Agriculture, 1944 (FDA) Payments for Diversion

Part -I- Accounting Procedure

General

The War Food Administrator has authorized the expenditure of an amount not to exceed $7,200,000 in connection with the diversion from normal channels of trade and commerce during the period October 1, 1943 to March 31, 1944, of not to exceed 20,000,000 bushels of Irish Potatoes. This sum represents a part of funds appropriated for purposes of Section 32, Public Act No. 320, 74th Congress, as amended. Diversion payments shall be made as provided in the offer of the War Food Administrator, and designation of Representatives, Nos. 69 and 70, Administrative.

Allotments

Regional Fiscal Divisions receiving allotment advices under subject program, shall record same on Form FDA-514, Allotment Ledger, (or on present Allotment Ledger form in use for other indemnity programs). General Ledger entries are to be made as per Procedure and Accounting Manual, effective July 1, 1943, Section E, page 4, Public Funds-Regional Office Books.

Obligations

Regional Fiscal Divisions should receive from the Branch administering the subject program, copies of all executed and approved Forms FDA-PPD-101, Application and Diversion Authorization. The Regional Accounting Sections shall prepare Form FDA-508, Encumbrance Request, for each Form FDA-PPD-101, Application and Diversion Authorization, showing program, contract number, maximum quantity which can be diverted, and the rate of diversion payment, which rate(s) shall be obtained from Form FDA-587, Purchase Authorization For Field Purchases. The encumbrance shall be computed for the maximum amount. Block Forms FDA-508, Encumbrance Request, and post to applicable Allotment Ledger Account, as per Procedure and Accounting Manual, effective July 1, 1943, Section F-6, pages 1-2. Post each Form FDA-506, Document Block Sheet, to General Ledger as per Procedure and Accounting Manual, Section E, page 23, effective July 1, 1943.

Liquidations

After the Regional Voucher Review Sections have certified and scheduled claims for payment, one memorandum copy of each Form FDA-564, Public Voucher-Diversion Programs, (formerly DP-1) and two copies of Standard Form No. 1064, Schedule of Disbursements, shall be routed to the Regional Fiscal Accounting Sections, where the liquidation clerk shall withdraw from the files each applicable contract Form FDA-508, Encumbrance Request. Record entries on Form FDA-508, Encumbrance Request, block Standard Forms No. 1064, Schedule

of Disbursements, on Form FDA-506, Document Block Sheet, and post each Form FDA-564, Public Voucher-Diversion Programs, to the applicable allotment ledger account, as per Procedure and Accounting Manual, effective July 1, 1943, Section F-6, pages 4-5. Post all Forms FDA-506, Document Block Sheet, to General Ledger as per Procedure and Accounting Manual effective July 1, 1943, Section E, pages 38-40. For routing of documents see Section F-6, Procedure and Accounting Manual, effective July 1, 1943.

Part II - Voucher Review Procedure

Documents required before vouchers can be reviewed and certified for payment -

The following documents in the form of originals, photostatic copies, executed copies, and certified true copies of original documents must be on file in the Regional Fiscal Divisions.

1. Finding and Determination by the War Food Administrator, in connection with the Irish Potato Products Diversion Program into starch, dextrine, flour, glucose, and other products as may be approved by the Administrator, dated September 2, 1943.

2. Offer of the War Food Administrator, Form FDA-PPD-100, dated September 2, 1943.

3. Designation of Representative in connection with the Irish Potato Diversion Program, Fiscal Year, 1944, No. 69 Admin., dated, September 2, 1943.

4. Designation of Representative in connection with the Irish Potato Diversion Program, Fiscal Year, 1944, No. 70 Admin., dated September 2, 1943.

5. Executed and Approved Application and Diversion Authorization, Form FDA-PPD-101, identified by application number and contract number.

6. Signed copy of Memorandum of Agreement (Exhibit A) relating to establishment of a separate bank account which shall be attached to the voucher review copy.

7. Any other documents which may subsequently be added.

Documents Required in Support of Claims - (Original and one copy except as noted).

1. Public Voucher - Diversion Programs, Form FDA-564, (formerly DP-1). Original and two copies.

2. Executed Certificate of Purchase Form FDA-PPD-103.

3. Executed Report on Quantity and Grade of Potatoes Diverted, Form FDA-PPD-102.

4. Manufacturers Ticket showing quantity of potatoes meeting diver-

sion specifications, and the quantity of potatoes commingled with those meeting such specifications, and the amounts paid to the growers for such potatoes. To be used for verification of information shown on Form FDA-PPD-103 and retained with the voucher review copy of the voucher.

Receiving and Recording -

A receiving and recording register will be maintained in accordance with established practices.

Application and Diversion Authorization, Form FDA-PPD-101

No payments will be made to any manufacturer unless potatoes are acquired and diverted in strict accordance with the requirements set forth in the "Offer of the War Food Administrator," Form FDA-PPD-100. The reviewer shall verify that each Form, FDA-PPD-101, is complete as to the following:

1. That the form has been executed by the applicant in conformity with the requirements outlined on page 9, "Signatures and Authorizations."

2. That the date potatoes must be diverted has been inserted in the space provided.

3. That the prices per "bbl." or per "cwt." to be paid by the manufacturer for potatoes meeting Diversion Specifications and for potatoes commingled therewith have been inserted in the spaces provided.

4. That the Form FDA-PPD-101 has been approved by an authorized representative of the War Food Administrator for a quantity of Irish Potatoes meeting minimum specification requirements which is not greater than the quantity as requested by the applicant, and that the date of approval has been shown.

5. A certification and liquidation control will be maintained to prevent overpayments in connection with each Diversion Authorization. Each time a voucher is certified against a particular Diversion Authorization, the units and amount certified and the units and amount liquidated by Bureau Voucher number together with the unliquidated units and amounts shall be entered on Form FDA-508 Encumbrance Request attached to the Diversion Authorization.

Certification of Purchase, Form FDA-PPD-103.

No payments will be made to any manufacturer unless such manufacturer has prepared and executed Form FDA-PPD-103, which form shall be submitted to the Regional Fiscal Divisions through a representative of the War Food Administrator in an original and one copy attached to and in support of the claim of the manufacturer. The reviewer shall verify that each Form FDA-PPD-103 is complete as to the following:

1. That the manufacturer has inserted an approved diversion application number in the space following "D. A. No." and that such number is the same as the serial number appearing on the manufacturer's approved Application and Diversion Authorization, Form FDA-PPD-101.

2. That if following the words "Payee's Voucher No." there has been inserted a number, it shall be the same as the payee's voucher number appearing on the voucher.

3. That following the words "Contract No." the applicable contract number shown on the Application and Diversion Authorization, Form FDA-PPD-101, has been inserted.

4. That the name of the manufacturer has been entered on the line following the words "Name of Manufacturer" and that such name is in agreement with the manufacturer's name appearing on the approved Application and Diversion Authorization, Form FDA-PPD-101.

5. That the address of the manufacturer has been shown on the line following the word "Address" and that such address is the same as that shown in the approved Application and Diversion Authorization, Form FDA-PPD-101.

6. That the certification appearing thereon has been executed in conformity with the requirements of page 9-"Signatures and Authorizations."

7. That there has been shown directly beneath the word "Date" the first and last dates of the report period.

8. That there has been shown beneath the words "Ticket No." the first and last numbers of the purchase tickets issued during the report period.

9. That there has been entered directly beneath the words "Name of Payee", "See attached delivery receipts."

10. That directly beneath the words "Div. Spec. A" there has been entered the aggregate quantity of potatoes purchased which meet Diversion Specification A. (If approved grade (s) of potatoes other than that defined as "Diversion Specification A" are diverted, the column headed "Div. Spec. A" should have been corrected accordingly, e.g. "Div. Spec. B.").

11. That there has been entered beneath the word "Other" the aggregate quantity of potatoes commingled with the potatoes meeting Diversion Specifications.

12. That there has been entered directly beneath the word "Unit" the unit of measure used in the purchase, i.e., "Bbls." or "cwt."

13. That there has been entered directly beneath the words "Div. Spec. A" under the head of the "Amount of Payment" the amount paid per bbl.

of potatoes which met Diversion Specifications. (The column heading must be consistent with any changes made in accordance with item 10, above.)

14. That there has been entered under the word "Other" under the head of "Amount of Payment" the amount paid per bbl. of potatoes which were commingled with the potatoes which met Diversion Specifications.

15. That there has been entered directly beneath the word "Total" under the head of "Payment" the sum of the amounts paid for those potatoes meeting Diversion Specification and for those commingled therewith.

16. The computer shall be furnished with the voucher review copy of the Applicable Purchase Autherization For Field Purchase, Form FDA-587, or Purchase Authorization showing the price to be paid for the potatoes furnished, in order to verify the amounts paid by the manufacturer for the potatoes meeting Diversion Specifications and for the potatoes commingled therewith.

Report on Quantity and Grade of Potatoes Diverted, Form FDA-PPD-102

A Report on Quantity and Grade of Potatoes Diverted, Form FDA-PPD-102, will be submitted to the Regional Fiscal Divisions through an Agent of the War Food Administrator together with and in support of each manufacturer's claim. The reviewer shall verify that Form FDA-PPD-102 is complete as to the following information:

1. That following the words "D. A. No." the applicable serial number appearing on the approved Form FDA-PPD-101, has been inserted.

2. That if following the words "Payee's Voucher No." there has been inserted a number, it shall be the same as the payee's voucher number appearing on the voucher.

3. That following the words "Contract No." the applicable contract number shown on the Application and Diversion Authorization, Form FDA-PPD-101, has been inserted.

4. That following the words "Name of Payee" the name of the payee has been shown which name must be the same as the applicant's name appearing on the Application and Diversion Authorization, Form FDA-PPD-101.

5. That following the words "Post Office Address" there has been inserted the post office address of the payee.

6. That in item 1 there has been inserted the total quantity (in pounds or barrels) of potatoes weighed or measured regardless of whether or not such potatoes met Diversion Specification.

   (a) Verify that this quantity is the same as the quantity listed on the related Certificate of Purchase, Form

FDA-PPD-103.

7. That in item 2 following the words "Diversion Specification" there has been inserted the appropriate designation.

8. That in item 3 following the words "Proportion of total meeting specification" there has been inserted the percentage of the total potatoes weighed or measured shown in item 1, which meet Diversion Specification. Such percentage may be shown as a common fraction.

9. That in item 4 following the words "Quantity of Potatoes on which Claim is Based" there has been inserted that quantity of potatoes (in pounds or barrels) which meet Diversion Specifications which quantity is the product of item 1 multiplied by item 3.

10. That the Certificate as to Grade has been executed by a licensed inspector, and that his title has been shown.

11. That the certificate of quantity and diversion has been executed by a licensed inspector or by an authorized Representative of the War Food Administrator, who shall indicate date of diversion, which date is not later than the termination date specified in the manufacturer's Diversion Authorization, and in any event not later than March 31, 1944. Claim for payment must be submitted on or before June 30, 1944.

Note: Both of the above mentioned certificates are required to be executed even though the same individual is responsible for the certifications contained therein, except that the certificate as to grade must be executed by a licensed "Federal Inspector," or "Federal-State Inspector".

Computation on Public Voucher-Diversion Programs, Form FDA-564

The computer shall verify items 1 through 3 and indicate that such verifications have been made by placing a check mark on the review copy of the voucher and supporting documents adjacent to the items verified with a statement of mistakes noted on a separate sheet stapled to the voucher. Completion of the voucher will be indicated by placing his or her initials under the words "ACCOUNT VERIFIED CORRECT FOR" in the lower portion of the block entitled "FOR AUDIT USE ONLY" on the review copy of the voucher if no mistakes noted.

1. Verify the total amount claimed.

2. Verify the extension of each item by the rate and quantities shown.

3. Verify the separate items of the rates, amounts, and quantities shown on the voucher against the supporting Form(s) FDA-PPD-102, FDA-PPD-103, etc.

Voucher Form FDA-564.

An original Form FDA-564 (formerly DP-1) and two copies will be received, and entries thereon shall be verified in the following manner:

1. D. O. Voucher No. - Shall be left blank.

2. Bureau Voucher No. - Number assigned by the Voucher Review Section.

3. Payee's Voucher No. - Seller should have assigned a number for identification purposes.

4. (Commodity and Program Year)- Irish Potato Products Diversion Program K/3b - Fiscal Year 1944.

5. Voucher Prepared - The city or post office, state, and date of voucher preparation shall have been entered in this space. A voucher will not be returned or suspended because of the absence of a portion or all of the above.

6. (Contracting Payees) - There shall have been entered on this line the name of the individual firm to whom check is to be drawn which must be in strict agreement with the approved Application and Diversion Authorization Form FDA-PPD-101.

7. (Contractor's Address) - The address to which the check is to be directed must be entered on this line.

8. (Loan Agency as Joint Payee) - Shall be left blank.

9. (Government Loan Agency to which Payment is Authorized) - Shall be left blank.

10. Contract Reference - The applicable contract and application numbers will be shown in this space. If omitted, the reviewer will insert.

11. Supporting Document Reference - There shall be entered in this column the appropriate reference identifying the form number and date of the supporting documents submitted with the voucher.

12. Description of Transaction - There shall have been entered in this space the following:

    "Diversion of Irish Potatoes pursuant to the terms and conditions set forth in the Offer of the War Food Administrator, Form FDA-PPD-100."

13. Unit - There shall have been entered in this column the unit on which payment is based, i.e., "Cwt." or "Bbls."

14. No. Units - There shall have been entered in this column the total number of units of potatoes diverted for which payment is claimed.

15. Amount Claimed Per Unit - There shall have been entered in this column the unit price for the potatoes diverted as specified in the applicable Form FDA-587.

16. Amount Claimed - There shall have been entered in this column the amount claimed.

17. Total - The total claim shall have been entered in this space.

18. For Audit Use Only - This column shall be left blank on Form FDA-564 but may be used for checking or other review notations on Form FDA-564a.

19. Differences - Enter the amount suspended or disallowed, if any, under the amount claimed.

(a) Notices of suspensions, when required, shall be prepared by the reviewer and shall clearly show:

(1) The basis upon which claim for payment was made, including all relevant calculations.

(2) The amounts suspended or disallowed.

(3) A clear concise statement setting forth the reason for suspension or disallowance which can be understood without reference to the voucher. This notice should be signed before the voucher is certified.

(4) A copy of the Notice of Suspension shall support the original and each copy of the reviewed voucher.

20. Certificate of Compliance - There shall have been entered the name of the manufacturer which must be in strict agreement with the name shown at the top of the voucher. The certificate must be executed in accordance with the requirements outlined on page 9, "Signatures and Authorization."

21. Account Verified Correct For - Enter the amount found to be due. The reviewer will indicate the completion of the review by placing his signature on the line "Signature or Initials."

22. Certificate of Representative of Administrator - This certificate must be signed and dated by an authorized representative of the War Food Administrator.

23. Certificate of Certifying Officer - The amount approved for payment, and the date of the approval shall be entered. The certificate shall be signed by a person properly authorized to certify.

24. Accounting Classification - In column headed "Appropriation or limitation symbol" insert 1242100(38).035. In column headed "Appropriation title" insert - Exportation and Domestic Consumption of Agricultural Commodities, Department of Agriculture, 1944 (FDA)

Payments for Diversion. In column headed "Amount certified" the amount approved for payment shall be inserted.

25. Program Symbol and Title - Under this heading insert K/3b - Irish Potato Products Diversion Program.

26. Obligations Liquidated - When liquidations are identical with the units and amount certified, this space may be left blank, provided units are shown elsewhere on the voucher. When liquidations are not identical, the reviewer shall insert the units and amounts liquidated on the Voucher Review and Accounting copies of the voucher.

27. Transcribe to the review copy of the voucher and accompanying documents all information not shown thereon which appears on the original voucher and supporting documents.

When the review is completed, the voucher and supporting papers should be securely fastened together and forwarded to the typist for scheduling in accordance with established procedure.

Execution by Certifying Officer

1. The certifying officer must place his confidence in the persons who have reviewed and scheduled the voucher, since no review is to be made by other reviewers and as it will be impossible to make personal verification. It is his responsiblility to assure himself that all such persons are acquainted with the procedure and are performing the required operations. The certifying officers will execute the Certificate of Certifying Officer on the voucher over his official title.

2. Administrative exceptions will be handled directly with the claimant unless the exception is such that an administrative determination is required.

Signatures and Authorizations

Vouchers shall be executed in accordance with established procedure.

General

1. It is preferred that vouchers and related papers be prepared on the typewriter. However, these forms will be acceptable if properly prepared in ink or indelible pencil.

2. All autograph signatures should be made in ink or indelible pencil. Autograph signatures made with ordinary lead pencil are acceptable although the practice should not be encouraged. When documents are required to be submitted in the original and duplicate, it will only be necessary that the original be signed, unless otherwise specified.

3. Verify all changes and alterations which affect payment. Such

changes and alterations must be initialed by the person or persons responsible for certification as to the correctness of the item changed.

4. Bureau Voucher number will be assigned in numerical sequence without the use of a prefix, beginning with the number "1." In assigning numbers to Schedule of Disbursements, Form 1064, the Symbol K/3b will be prefixed to the Bureau Schedule Number.

5. If the manufacturer fails to divert all potatoes purchased under this program he shall file with the FDA a Release of Unused Balance (Exhibit B attached) or a similar form.

6. The use of contract numbers as a means of reference will eliminate the necessity of preparing cross-reference forms for documents, such as Agreements, Powers of Attorney, Diversion Authorization, but the following cross-references are necessary: a reclaim voucher must be cross-referenced to the voucher from which the reclaimed amount was originally suspended, and in the recovery of an overpayment, the subject voucher must be cross-referenced to the voucher on which the overpayment was made, and the overpaid voucher must be cross-referenced to the voucher on which the recovery is accomplished.